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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
	:
SEARS HOLDINGS CORPORATION, <i>et al.</i>,	:
	:
	:
Debtors.¹	:
-----X	

**Chapter 11
Case No. 18-23538 (RDD)
(Jointly Administered)**

**SECOND SUPPLEMENTAL DECLARATION
AND DISCLOSURE STATEMENT OF RAY C. SCHROCK, P.C.
ON BEHALF OF WEIL, GOTSHAL & MANGES LLP PURSUANT TO
11 U.S.C. §§ 327, 329, AND 504 AND FED. R. BANKR. P. 2014(a) AND 2016(b)**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc.

Pursuant to 28 U.S.C. § 1746, I, Ray C. Schrock, P.C. hereby declare as follows:

1. I am a member of the firm of Weil, Gotshal & Manges LLP (“**Weil**” or the “**Firm**”), an international law firm with principal offices at 767 Fifth Avenue, New York, New York 10153 and regional offices in Washington, D.C.; Houston and Dallas, Texas; Miami, Florida; Boston, Massachusetts; Princeton, New Jersey; and Silicon Valley, California; and foreign offices in London, United Kingdom; Warsaw, Poland; Frankfurt and Munich, Germany; Prague, Czech Republic; Paris, France; as well as Beijing, Hong Kong, and Shanghai, China.

2. I submit this declaration (this “**Second Supplemental Declaration**”) as a supplement to my declaration, dated October 26, 2018 (the “**Original Declaration**”),² and my first supplemental declaration, dated January 2, 2019 (the “**First Supplemental Declaration**,” together with the Original Declaration, the “**Previous Declarations**”), filed in support of the *Application of Debtors for Authority to Retain and Employ Weil, Gotshal & Manges LLP as Attorneys for the Debtors Nunc Pro Tunc to the Commencement Date* (ECF No. 344) (the “**Weil Retention Application**”).

3. This Second Supplemental Declaration has been prepared in accordance with paragraph 16 of the Original Declaration, which provides that Weil will supplement the disclosures in the Original Declaration to the extent required as a result of any new material relevant facts or relationships becoming available during these chapter 11 cases. This Second Supplemental Declaration makes certain additional disclosures.

(9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

² Capitalized terms used but not defined herein shall have the meanings set forth in the Original Declaration.

A. Supplemental Disclosure Regarding Current and Former Clients.

4. Weil has continued to implement the Firm Disclosure Procedures and update the Retention Checklist (as amended, attached hereto as **Annex 1**, the “**Supplemental Retention Checklist**”) and the Client Match List accordingly. Either I or an attorney under my supervision has reviewed the connections between Weil and the clients identified on the Client Match List and the connections between those entities and the Debtors. In each case, it has been determined that Weil does not hold or represent an interest that is adverse to the interests of the Debtors’ estates and that Weil is a “disinterested person” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.

5. Weil previously has represented, currently represents, and may represent in the future the entities described below (or their affiliates) in matters unrelated to the Debtors’ chapter 11 cases. The supplemental disclosure list, attached as **Annex 2** hereto (the “**Supplemental Disclosure List**”), is the product of implementing the Firm Disclosure Procedures since filing the Original Declaration. The Supplemental Disclosure List contains entities that have not been previously disclosed as well as entities previously disclosed but whose described relationship to the Debtors has been supplemented. An entity is listed as a “**Current Client**” on the Supplemental Disclosure List if Weil has any open matters for such entity or a known affiliate of such entity and attorney time charges have been recorded on any such matters within the past two (2) years. An entity is listed as a “**Former Client**” in the Supplemental Disclosure List if Weil represented such entity or a known affiliate of such entity within the past two (2) years based on recorded attorney time charges on a matter, but all matters for such entity or any known affiliate of such entity have been formally closed. Except as described below, Weil has not represented, does not represent, and will not represent any of such entities in matters directly related to the Debtors or these chapter 11 cases.

6. To the best of my knowledge, information, and belief, the annual fees for the last twenty-four (24) months paid to Weil by any entity listed on Annex 2 did not exceed 1% of the annual gross revenue of Weil except for the following entities and time periods: (a) Advent International (“Advent”) and certain of its affiliates, which accounted for 2.9% of Weil’s last twelve months’ revenue and 2.6% of Weil’s last twenty-four months’ revenue; (b) Johnson & Johnson (“J&J”) and certain of its affiliates, which accounted for 2.4% of Weil’s last twelve months’ revenue and 1.6% of Weil’s last twenty-four months’ revenue; (c) Goldman Sachs (“Goldman Sachs”) and certain of its affiliates, which accounted for less than 1.0% of Weil’s last twelve months’ revenue and 1.1% of Weil’s last twenty-four months’ revenue. Further, Weil has not represented, does not represent, and will not represent any entity listed on Annex 2 hereto in matters directly related to the Debtors or these chapter 11 cases.

7. In addition, Weil was recently retained as counsel to HPS Investment Partners, LLC (“HPS”), as administrative agent and lender on that certain Credit Agreement, dated as of April 17, 2019, that was made by certain lenders to certain affiliates of Transform Holdco LLC (“**Transform**”) as borrowers.³ Transform and/or certain of its affiliates have participated in the Debtors’ chapter 11 cases. Both the Debtors and HPS are adverse to Transform in their respective capacities. Weil’s representation of HPS is not related to the Debtors or these chapter 11 cases and is not materially adverse to the interests of the Debtors’ estates.

8. Both HPS and the Debtors (through the Debtors’ Restructuring Committee) are aware of Weil’s representation of the other party.

³ Transform Holdco LLC was the purchaser of substantially all of the Debtors assets pursuant to a section 363 sale. See Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith and (IV) Granting Related Relief (ECF No. 2507).

9. Based on the conflicts searches conducted to date and described in the Previous Declarations and herein, to the best of my knowledge and insofar as I have been able to ascertain, (a) Weil is a “disinterested person” within the meaning of section 101(14) of the Bankruptcy Code, as required by section 327(a) of the Bankruptcy Code, and does not hold or represent an interest adverse to the Debtors’ estates, and (b) Weil has no connection to the Debtors, their creditors, or other parties in interest, except as may be disclosed in the Previous Declarations and herein.

10. Weil will continue to review its files periodically during the pendency of these chapter 11 cases to ensure that no conflicts or other disqualifying circumstances exist or arise. To the extent any information disclosed herein requires amendment or modification upon Weil’s completion of further review or as additional material, relevant facts or relationships becomes available, Weil will file a further supplemental declaration stating such amended or modified information.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 18th of December, 2019

/s/ Ray C. Schrock, P.C.
Ray C. Schrock, P.C.
Member, Weil, Gotshal & Manges LLP

Annex 1

Second Supplemental Retention Checklist

- Debtors and Affiliates
- Debtors' Trade Names and Aliases (last 8 years)
- Administrative Claimants
- Banks
- Current and Former Officers and Directors (last 2 years) and Known Affiliations
- Customer Programs
- Debtors' Greater-than-5% Equity Ownership
- Employee Benefits
- Governmental
- Indentures
- Insurers and Insurance Brokers
- Landlords and Related Parties
- Lienholders
- Notice of Appearance Parties
- Other Parties in Interest and Known Professionals
- Parties to Litigation
- Parties Referenced in 2019 Verified Statements
- Potential Bidders
- Professionals Retained by the Debtors
- Secured Lenders
- Secured Notes
- Significant Competitors
- Supplemental Workforce Agencies
- Top 40 Unsecured Creditors
- Unions
- United States Trustee, Judges, and Court Contacts for the Southern District of New York (and Key Staff Members)
- Unsecured Creditors' Committee Members and Known Professionals
- Unsecured Notes
- Utilities
- Vendors

Annex 2

Second Supplemental Disclosure List

Supplemental Disclosure List

Matched Entity	Relationship to Debtors	Relationship to Weil
AT&T (Ameritech) AT&T (Bellsouth) AT&T (Pacific Bell) AT&T (Southwestern Bell) AT&T Mobility	Notice of Appearance Parties Utilities	Affiliate or Subsidiary of Current Client
AT&T Corp. Farmer, Joseph and Elaine Farmer, husband and wife vs. AT&T Corp., et al., asbestos defendants including Sears, Roebuck and Co. ((disclosed on first sup but only highlighted matched entity- litigation)	Litigation Party Notice of Appearance Parties Utilities	Affiliate or Subsidiary of Current Client
AT&T Mobility II, LLC	Lienholders Utilities	Affiliate or Subsidiary of Current Client
AUTO-Scullari, Anthony v. S.A. Bonsignore; Brian Stafford; Midwood Management Corp; Farmingville Associates; Burger King Corporation; L.I. Restaurant Associates, L.P.; TGI Friday's Inc.; and Kmart Corporation Sopka, Kathleen v. Aleff, LLC; Kmart Corporation; Spirit Master Funding II, LLC; Burger King; CBK Futures, Inc.; and John Doe and/or John Doe, Inc. 1- 10	Litigation	Affiliate or Subsidiary of Current Client
Berkshire Fashions	Vendors	Related to Current Client
Birch Communications	Utilities	Affiliate or Subsidiary of Current Client
Celadon Trucking Services	Vendors	Current Client Affiliate or Subsidiary of Current Client Related to Current Client
Cisco Systems	Notice of Appearance Parties Vendors	Former Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Cisco Systems, Inc.	Utilities	
Dell Financial Services, L.L.C.	Lienholder Notice of Appearance Parties Parties Referenced in Verified 2019 Statements Vendors	Affiliate or Subsidiary of Current Client Affiliate or Subsidiary of Former Client
Dell Marketing, L.P.	Administrative Claimants Lienholders Notice of Appearance Parties Parties Referenced in Verified 2019 Statements Vendors	Affiliate or Subsidiary of Current Client Affiliate or Subsidiary of Former Client
Dell, Inc.	Administrative Claimants Lien Holders Notice of Appearance Parties Vendors	Current Client Former Client Affiliate or Subsidiary of Former Client
Deloitte Tax LLP Deloitte Transactions and Business Analytics LLP Deloitte & Touche LLP	Professionals Retained by the Debtors Top 40 Unsecured Creditors Vendors	Affiliate or Subsidiary of Current Client Affiliate or Subsidiary of Former Client
Dun & Bradstreet	Administrative Claimants Vendors	Current Client Related to Current Client
East End Commons Associates LLC c/o The Feil Organization	Landlord	Affiliate or Subsidiary of Current Client
Edgewell Personal Care	Administrative Claimants Vendors	Former Client
First Republic Bank First Republic Bank ACH	Landlords and Related Parties	Former Client
FTI Consulting Canada, Inc.	Notice of Appearance Parties	Affiliate or Subsidiary of Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
FTI Consulting, Inc.	Estate Professionals Unsecured Creditors' Committee Members and Known Professionals Vendors	Current Client
Groupon	Customer Programs	Current Client
Horizon	Administrative Claimants Utilities	Affiliate or Subsidiary of Current Client
ICON Health and Fitness Inc. ICON Health & Fitness, Inc.	Administrative Claimants Litigation Top 40 Unsecured Creditors Vendors	Current Client
Innocor Inc.	Administrative Claimants	Affiliate or Subsidiary of Current Client Related to Former Client
Johnson & Johnson Consumer Inc.	Administrative Claimants Vendors	Current Client Affiliate or Subsidiary of Current Client
Ledvance LLC	Administrative Claimants	Affiliate or Subsidiary of Current Client
Mannino, Francesca v. Sears Holdings Management Corporation dba Kmart; Kimco Realty Corporation; and A&P Property LLC	Litigation	Affiliate or Subsidiary of Current Client
Moses and Singer LLP	Administrative Claimants Vendors	Current Client
Namco USA Inc.	Notice of Appearance Parties	Affiliate or Subsidiary of Current Client
National Union Fire Ins. Co of Pittsburgh, PA	Insurers and Insurance Brokers	Affiliate or Subsidiary of Current Client Related to Current Client
National Union Fire Insurance Company of Pittsburgh, PA as Transferee of Waxman Consumer Products Group Inc.	Administrative Claimants	Affiliate or Subsidiary of Current Client Related to Current Client
Olde Thompson, LLC	Administrative Claimants	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Olympus Peak Master Fund LP as Transferee of Allure Gems, LLC	Administrative Claimants	Related to Current Client Related to Former Client
Olympus Peak Master Fund LP as Transferee of Cleva Hong Kong Ltd	Administrative Claimants	Related to Current Client Related to Former Client
Parker Hannifin Corporation	Vendors	Affiliate or Subsidiary of Current Client Related to Current Client
Procter & Gamble Distributing LLC	Administrative Claimants Top 40 Unsecured Creditors Vendors	Affiliate or Subsidiary of Current Client
Rebuilding Together	Customer Programs	Affiliate or Subsidiary of Current Client
Serta Incorporated Serta, Incorporated	Administrative Claimants Vendors	Affiliate or Subsidiary of Current Client
Serta, Inc.	Administrative Claimants Vendors	Affiliate or Subsidiary of Current Client
ServiceNow, Inc.	Administrative Claimants	Current Client
Sharp Electronics Corporation	Vendors	Affiliate or Subsidiary of Current Client
Skillsoft Corporation	Vendors	Current Client
TELUS Communications	Notice of Appearance Parties Vendors	Affiliate or Subsidiary of Current Client
TELUS Enterprise Solutions Corp. TELUS International US Corp.	Administrative Claimants	Affiliate or Subsidiary of Current Client
TELUS International (U.S.) Corporation	Notice of Appearance Parties	Affiliate or Subsidiary of Current Client
The Kraft Heinz Company	Administrative Claimants	Affiliate or Subsidiary of Former Client
The Kroger Co.	Notice of Appearance Parties Other Parties in Interest Parties Referenced in Verified 2019 Statements	Current Client

Matched Entity	Relationship to Debtors	Relationship to Weil
Trinet Essential Facilities XXVII, Inc.	Notice of Appearance Parties	Affiliate or Subsidiary of Current Client
Twentieth Century Fox Home Entertainment LLC	Administrative Claimants Notice of Appearance Parties	Affiliate or Subsidiary of Current Client
Vehicle Service Group, LLC dba Rotary Lift, a Dover corporation	Administrative Claimants	Affiliate or Subsidiary of Former Client
Verizon Communications Inc. Verizon Verizon Business Verizon Cabs Verizon Capital Corp. Verizon Wireless Verizon Communications Verizon Wireless of The East MCI	Notice of Appearance Parties Utilities Vendors	Affiliate or Subsidiary of Current Client
Wells Fargo Bank, N.A.	Administrative Claimants Bank Accounts Debtors' Greater than 5% of Equity Owner Indenture Landlord – Related Notice of Appearance Parties Revolving Lenders Secured Lenders Secured Notes Vendors	Current Client Affiliate or Subsidiary of Former Client
Wells Fargo Bank, N.A., as Trustee for CSMS 2008-C1	Administrative Claimants Bank Accounts Debtors' Greater than 5% of Equity Owner Indenture Landlord-Related	Current Client Affiliate or Subsidiary of Former Client

Matched Entity	Relationship to Debtors	Relationship to Weil
	Notice of Appearance Parties Revolving Lenders Secured Lenders Secured Notes Vendors	
Wells Fargo Corporate Trust Services	Administrative Claimants Landlord	Affiliate or Subsidiary of Current Client Affiliate or Subsidiary of Former Client
Whirlpool Corporation	Litigation Party Notice of Appearance Parties Top 40 Unsecured Creditors Unsecured Creditor Vendors	Current Client
Wilmington Trust, National Association, as indenture trustee and collateral agent	Administrative Claimants Bank Accounts Landlord- Related Lien Holders Secured Lender	Affiliate or Subsidiary of Current Client
World Kitchen LLC	Vendors	Affiliate or Subsidiary of Current Client Related to Current Client